

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Cincinnati District Office
Cincinnati, Ohio 45231
(513) 684-6840 / FAX: (513) 684-6845



April 14, 2005

Sherry McDaniel, Financial Secretary
United Steelworkers of America
Local 525U

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Re: 2

Dear Ms. McDaniel:

This office has recently completed an audit of UAW Local 525U 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 and Michelle Ison on February 1, 2005, 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.

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that adequate records be maintained 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, all records used or received in the course of union business must be retained. This includes, in the case of disbursements, not only the retention of original bills, invoices, receipts, and vouchers, but also adequate additional documentation, if necessary, showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipients of the goods or services.

The audit disclosed that Local 525U failed to maintain certain records, in violation of LMRDA Section 206. Specifically, Local 525U failed to retain the February bank statement for the 4 The December bank statements for the 4 were also missing. The voucher and invoice were not maintained for the Thanksgiving dinner purchased at Lil' Charlies Grill in the amount of \$712.50. The voucher and invoice for the Office Shop in the amount of \$116.28 was also not maintained by Local 525U. The invoice was not maintained for a union monument purchased at Fischmer Floral Shop in the amount of \$5,350.00. The invoice for a \$425.15 expenditure at the Pepsi Bottling Company was also not maintained. The local failed to retain the dues checkoff lists sent to the local by Batesville Casket and Hill-Rom. Local 525U also failed to maintain a voucher for Robert Wessel in the amount of \$332.03. After OLMS explained that it is important that these records are maintained you agreed to be more careful in retaining the local's records in the future. No OLMS action is necessary at this time.

The CAP also disclosed a violation of LMRDA section 201(a) because Local 525U failed to file the most recent copy of its amended bylaws dated August 7, 2002 along with the 2003 LM-3 report. You provided

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me with the most recent bylaws and promised you would meet this requirement when the local's bylaws are amended in the future.

I want to extend my personal appreciation for your and Michelle Ison's cooperation and courtesy during this compliance audit. If we can be of any assistance in the future, please do not hesitate to call.

Sincerely,

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Investigator

cc: Michelle Ison