

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
St. Louis District Office
1222 Spruce Street, Room 9.109E
St. Louis, MO 63103
(314) 539-2667 Fax: (314) 539-2626



June 15, 2009

Ms. Holly Sloan, President
Steelworkers AFL-CIO
Local 11-194
705 Olive Street, Suite 602
St. Louis, MO 63101

LM File Number 027-106

Case Number: [REDACTED]

Dear Ms. Sloan:

This office has recently completed an audit of Steelworkers Local 11-194 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 Secretary-Treasurer Kim Rehg on Friday, June 5, 2009, 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 11-194 for fiscal year ending December 31, 2008 was deficient in that the receipts were over-reported by approximately \$50,000.

1. Inaccurate Receipts Total

A certificate of deposit that matured in January of 2008 was incorrectly shown as a receipt of \$50,000. The CD was actually rolled over into another certificate CD in the same month. This caused the receipts to be inflated by \$50,000 and the total cash on hand to be over-reported by the same amount.

The union officers recognized the error and will complete an amended report showing the correct amount of receipts and the correct ending cash balance.

Local 11-194 will file an amended Form LM-3 for fiscal year ending December 31, 2008 to correct the deficient items discussed above. I provided you with a blank form and instructions, and advised you that the reporting forms and instructions are available on the OLMS website (www.olms.dol.gov). The amended Form LM-3 should be submitted to this office at the above address as soon as possible, but not later than June 30, 2009. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

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. Local 11-194 amended its constitution and bylaws in 2004, but did not file a copy with its LM report for that year.

This issue was resolved when Local 11-194 provided a copy of their most recent constitution and bylaws at the beginning of the audit.

I want to extend my personal appreciation to Steelworkers Local 11-194 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