



October 19, 2010

Mr. Ferdinand Mendez, Treasurer
Steelworkers LU 4-00859
35 Stevens Place
Rocky Hill, CT 06067-3211

Case Number: [REDACTED]
LM Number: 028604

Dear Mr. Mendez:

This office has recently completed an audit of Steelworkers LU 4-00859 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 President Lawrence David on October 14, 2010, 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 LM-3 filed by Local 4-00859 for fiscal year ending December 31, 2009, was deficient in that:

Other Receipts and Disbursements

Local 4-00859 reported in Item 43, Other Receipts, money received by the local for disbursement to a third party. The funds are withheld from member wages by the employer, transmitted to the union and then deposited into a union account. The disbursement of these funds by the union to a third party insurance company, should be reported in Item 54 Other Disbursements rather than Item 50, Benefits.

I am not requiring that Local 4-00859 file an amended LM report for 2009 to correct the deficient items, but Local 4-00859 has agreed to properly report the deficient item on all future reports it files with OLMS.

I want to extend my personal appreciation to Steelworkers LU 4-00859 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,



Supervisory Investigator

cc: Mr. Lawrence David, President