

U.S. Department of Labor

Office of Labor-Management Standards
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May 5, 2010

Ms. Ellen Doucette, President
USW Local 2-535
814 Mendlik Avenue
Antigo, WI 54409

LM File Number: 067-185
Case Number: [REDACTED]

Dear Ms. Doucette:

This office has recently completed an audit of Local 2-535 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 Financial Secretary Juli Steger on April 22, 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 Form LM-3 filed by Local 2-535 for fiscal year ending December 31, 2009, was deficient in the following areas:

1. Acquire/Dispose of Property

Item 13 (During the reporting period did your organization acquire or dispose of any goods or property in any manner other than by purchase or sale?) should have been answered "Yes" because the union gave small gifts at the Christmas party totaling at least \$847 and gave away gift certificates totaling at least \$690 at the Christmas party and at membership meetings during the year. The type and value of any property received or given away must be identified in the additional

information section of the LM-3 along with the identity of the recipient(s) or donor(s) of such property. For reporting purposes, each recipient need not be itemized. Recipients can be described by broad categories, if appropriate, such as "members" or "new retirees."

2. Christmas Party Receipts and Disbursements

During the exit interview, Financial Secretary Steger provided records showing that Local 2-535 collected \$10 in advance per member as a registration fee for the annual Christmas party and returned \$5 of the fee to each member who actually attended, but stated that these receipts and disbursements were not reported on the LM-3. All labor union funds, even if they are not part of your organization's general treasury, must be reported on the LM-3. In the future, Local 2-535 must report any Christmas party receipts in Item 43 (Other Receipts) and the portion returned to attendees at the party in Item 54 (Other Disbursements).

I am not requiring that Local 2-535 file an amended LM report for 2009 to correct the deficient items, but Local 2-535 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to Local 2-535 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: Juli Steger, Financial Secretary