



April 11, 2022

Ms. Che Allen, Financial Secretary
Steelworkers AFL-CIO Local 9-15120
P.O. Box 11173
Chattanooga, TN 37401

Case Number: 410-6022875
LM Number: 056199

Dear Ms. Allen:

This office has recently completed an audit of Steelworkers AFL-CIO Local 9-15120 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 March 10, 2022, 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.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records 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, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 9-15120's 2020 records revealed the following recordkeeping violations:

1. General Reimbursed and Credit Card Expenses

Local 9-15120 did not retain adequate documentation for reimbursed expenses incurred by the union officers totaling at least \$100.00. For example, the union did not attach adequate documentation, such as a receipt or invoice to its expense vouchers.

As noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

2. Meal Expenses

Local 9-15120 records of meal expenses did not always include written explanations of the union business conducted while incurring the restaurant charges. For example, the local provided the name of the attendees on the back of the meal receipt and put meeting as the description on the expense voucher, but did not include the nature or purpose of the meeting totaling at least \$50.00. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers or employees incurred meal expenses.

3. Lost Wages

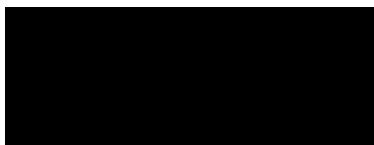
Local 9-15120 did not retain adequate documentation for lost wage reimbursement payments to union officers in at least 18 instances. The union must maintain records in support of lost wage claims that identify each date lost wages were incurred, the number of hours lost on each date, the applicable rate of pay, and a description of the union business conducted. The OLMS audit found that Local 9-15120, identified the date, rate of pay and provided a brief description of the union business. However, the union did not retain adequate documentation for the business conducted. For example, the local did not identify the grievance case it was incurring lost time for and it did not include the addresses or map/route documentation for on-site visits to a potential new union space.

During the exit interview, I provided a compliance tip sheet, *Union Lost Time Payments* that contained a sample of an expense voucher Local 9-15120 may use to satisfy this requirement. The sample identifies the type of information and documentation that the local must maintain for lost wages and other officer expenses.

Based on your assurance that Local 9-15120 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

I want to extend my personal appreciation to Steelworkers AFL-CIO Local 9-15120 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,



Senior Investigator

cc: Ms. Carla Leslie, President