



January 20, 2023

Mr. Glen Klamut, Financial Secretary  
Steelworkers Local 2155  
1265 N. Main St.  
Niles, OH 44446-1284

Case Number: 350-6025365( )  
LM Number: 016521

Dear Mr. Klamut:

This office has recently completed an audit of Steelworkers Local 2155 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 Treasurer John Pierog, and Recording Secretary Heather Campbell on January 9, 2023, 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 2155's 2021 records revealed the following recordkeeping violations:

#### Disposition of Property

Local 2155 did not maintain an inventory of union apparel it purchased, sold, or gave away. The union must report the value of any union property on hand at the beginning and end of each year in Item 30 (Other Assets) of the LM-3. The union must retain an inventory or similar record of property on hand to verify, clarify, and explain the information that must be reported in Item 30.

In addition, in the case of items given away to members, the union must retain records that identify the date the items were given away and the recipients of those items.

Based on your assurance that Local 2155 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

### 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 2155 for the fiscal year ended December 31, 2021, was deficient in the following areas:

1. Disbursements to Officers

Local 2155 did not include expense reimbursements to officers in Item 24E (Allowances and Other Disbursements). It appears the union erroneously reported expense reimbursements to officers in Item 24D (Gross Salary).

2. Tax Payments

Employer taxes were not reported under Item 48 (Office and Administrative Expense), but were erroneously reported under Item 54 (Other Disbursements). Only personal withholding taxes are reported under Item 54.

I am not requiring that Local 2155 file an amended LM report for 2021 to correct the deficient items, but Local 2155 has agreed to properly report the deficient items on all future reports it files with OLMS.

I want to extend my personal appreciation to Steelworkers Local 2155 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: Mr. Terry Thirion, President