



September 25, 2023

Mr. Chad Dickerson, President
Steelworkers Local 09-065-B
159 County Road 275
Section, AL 35771

Case Number: 410-6025884()
LM Number: 511689

Dear Mr. Dickerson:

This office has recently completed an audit of Steelworkers Local 09-065-B 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 Brian Burgess on September 25, 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 65-b's 2021 records revealed the following recordkeeping violations:

1. Information not Recorded in Meeting Minutes

During the audit, OLMS found that Local 65-B failed to maintain meeting minutes of either executive board or membership meetings. Because of this lack of minutes, OLMS was unable to verify transactions involving union funds were properly authorized by the membership during a meeting. Minutes of all membership or executive board meetings must report any disbursement authorizations made at those meetings.

Per the USW Financial Officers manual and the USW Constitution, the Financial Secretary must make a detailed financial report at least once each month at the Local Union meeting covering the receipts and disbursements of all funds of the Local Union (Form 274). This report shall then become part of the Minutes and a copy be given to the Recording Secretary. Steelworkers Financial Practices require the Recording Secretary to maintain minutes of all meetings within a meeting minute book. This was not done in 2021.

As a result of the audit conducted by USW District 9, Local 65-B has since begun recording meeting minutes.

Based on your assurance that Local 65-B will continue to retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Other Issues

1. Expense Policy

The audit revealed that Local 65-B did not adhere to the USW policy regarding the types of expenses personnel may claim for reimbursement and the types of expenses that may be charged to union credit cards. As a result, Local 65-B officers and stewards were overpaid per diem and mileage in fiscal year 2021 for two trips, Atlantic City and Destin, Alabama. When notified by the Steelworkers, the officers promptly repaid all funds.

As I discussed during the exit interview with you and FST Burgess, OLMS recommends that in future Local 65 -B adhere to the written guidelines concerning such matters.

I want to extend my personal appreciation to Steelworkers Local 09-065-B 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