

**U.S. Department of Labor**

Employment Standards Administration  
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September 15, 2008

Mr. John Mohr, Financial Secretary  
Steelworkers AFL-CIO  
Local Union 1211  
535 Maxine Drive  
Beaver Falls, PA 15010

LM File Number 028-285  
Case Number: [REDACTED]

Dear Mr. Mohr:

This office has recently completed an audit of Local Union 1211 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 September 11, 2008, 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 Union 1211's 2007 records revealed the following recordkeeping violations:

1. General Reimbursed Expenses

Local Union 1211 did not retain adequate documentation for reimbursed expenses to officers totaling at least \$123.00. For example, officers were reimbursed for stamps and tolls but receipts were not maintained.

As previously 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. Lost Wages

Local Union 1211 did not retain adequate documentation for lost wage reimbursement payments to union officers totaling at least \$649.32. 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 Union 1211 completed lost wage vouchers; however, officers did not always identify on the lost wage vouchers the union business conducted.

During the exit interview, I identified the type of information and documentation that the local union must maintain for lost wages and other officer expenses.

3. Lack of Salary Authorization

Local Union 1211 did not maintain records to verify that the salaries reported in Item 24 (All Officer and Disbursements to Officers) of the LM-3 was the authorized amount and therefore was correctly reported. The union must keep a record, such as meeting minutes, to show the current salary authorized by the entity or individual in the union with the authority to establish salaries.

During the exit interview you reported salary authorizations are documented in the Local Union's 2003 constitution and bylaws. You agreed to mail a copy of the bylaws to the Pittsburgh District Office by October 13, 2008.

Based on your assurance that Local Union 1211 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(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local Union 1211 was deficient in the following area:

##### Failure to File Bylaws

Local Union 1211 amended its constitution and bylaws in 2003, but did not file a copy with its LM report for that year.

As agreed, Local Union 1211 will file a copy of its current constitution and bylaws with OLMS as soon as possible but not later than October 13, 2008.

I want to extend my personal appreciation to Local Union 1211 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,

Mr. John Mohr  
September 15, 2008  
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Investigator

cc: John Cunnard, President