



October 24, 2016

Ms. Carolyn A. Sims, Financial Secretary
United Steelworkers
Local 12-7982-S
P.O. Box 21811
Waco, TX 76702

Case Number: 420-6009044
LM Number: 069474

Dear Ms. Sims:

This office has recently completed an audit of United Steelworkers Local 12-7982S 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 October 17, 2016, 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 Violation

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 12-7982-S 2015 records revealed the following recordkeeping violation:

Lack of Salary Authorization

Local 12-7982-S did not maintain records to verify that the salaries reported in Item 18 (Total payments to officers and employees during the reporting period for gross salaries, lost time payments, allowances, expenses, etc.) of the LM-4 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.

Based on your recent submission of the monthly membership meeting minutes, revealing that the membership met on September 6, 2016 and approved officer's monthly salaries and allowances, and your assurance that Steelworkers Local 12-7982-S will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to Steelworkers Local 12-7982-S 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: Ms. Lena Rodriguez, President