



December 19, 2019

Mr. Bryan Smith, Secretary-Treasurer
Sheet Metal Workers Local 221
366 Meadowcreek
Haskell, AR 72015

Case Number: 420-6017040 [REDACTED]
LM Number: 033671

Dear Mr. Smith:

This office has recently completed an audit of Sheet Metal Workers Local 221 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 President Steve Ballard on November 7, 2019, 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.

Reporting Violation

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 221 for the fiscal year ended December 31, 2018, was deficient in that:

Dues Incorrectly Reported

Local 221 incorrectly reported \$23,327 of dues receipts in item #43 (Other Receipts). The LM-3 instructions require all dues received should be reported in item #39 (Dues).

I am not requiring that Local 221 file an amended LM-3 report for 2018 to correct the deficient items, but Local 221 has agreed to properly report the deficient item on all future reports it files with OLMS.

I want to extend my personal appreciation to Sheet Metal Workers Local 221 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,

[REDACTED]
Senior Investigator

cc: Mr. Steve Ballard, President