

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Pittsburgh District Office
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May 16, 2008

Mr. Jeffery Knipe, President
Steelworkers
Local 308
RR1 Box 228B
Williamsburg, PA 16693

LM File Number 517-054
Case Number: [REDACTED]

Dear Mr. Knipe:

This office has recently completed an audit of Local 308 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, Treasurer Donna Wyland, Recording Secretary Wendy Gill, and Vice President Doug Warmath on April 23, 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 308's 2007 records revealed the following recordkeeping violations:

1. General Disbursements

Local 308 did not retain adequate documentation for a number of its disbursements.

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 Gift Cards

Local 308 did not maintain an inventory of \$3,902.00 worth of Hoss's and Wal-Mart gift cards it purchased in 2007. No record was maintained on who received the gift cards. Labor organizations must retain records that adequately account for all property purchased, sold, and/or given away.

Based on your assurance that Local 308 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violations

Failure to File Bylaws

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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 308 amended its constitution and bylaws in February 2007, but did not file a copy with its LM report for that year. Local 308 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Local 308 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,

A solid black rectangular box used to redact the signature of the investigator.

Investigator