

U.S. Department of Labor

Employment Standards Administration
Office of Labor-Management Standards
Buffalo District Office
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May 13, 2009

Chris Trunzo, President
United Steelworkers, AFL-CIO
Local 04-2058
110 24th Street
Niagara Falls, NY 14303-1802

LM File Number: 034-473

Case Number: [REDACTED]

Dear Mr. Trunzo:

This office has recently completed an audit of the Steelworkers Local 04-2058 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 Treasurer Don Rice Jr. on May 8, 2009 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 04-2058 for fiscal year ending December 31, 2007, was deficient in that:

Disbursements to Employees

Local 04-2058 did not properly report disbursements to an employee, [REDACTED], in the amount of \$14,145. Item 17 (employees receiving more than \$10,000) on the LM-3 should be checked "Yes" with details provided in Item 56 (Additional Information). Report in Item 56 the name, position and the total disbursements made to each employee receiving more than \$10,000 by your organization including all salary and allowances (before any deductions) and other disbursements (including reimbursed expenses). Item 16 (officers receiving \$10,000 or more from their organization) should be checked "No" as no officer received \$10,000 or more from Local Union 04-2058 and another organization or employee benefit plan.

Other Violation

The audit disclosed the following other violation:

Delinquent Report

Local 04-2058 has not filed the Labor Organization Annual Report, Form LM-3 for fiscal year ending December 31, 2008. The LMRDA requires each labor organization to file an annual financial report with the Secretary of Labor within 90 days after the end of its fiscal year. Therefore, your organization's report is overdue.

You agreed to submit your union's LM-3 report for 2008 to this office as soon as possible but no later than Tuesday, May 26, 2009. Before filing, review the report thoroughly to be sure it is complete, accurate, and signed properly with original signatures.

I want to extend my personal appreciation to Local 04-2058 for their 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 be of any additional assistance, please do not hesitate to call.

Sincerely,



Investigator

cc: Don Rice Jr., Treasurer
Angel Fernandez, Financial Secretary
Derrick Brochey, Vice President