

U.S. Department of Labor

Office of Labor-Management Standards
Cincinnati District Office
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October 14, 2010

Mr. Charles Spivey, Financial Secretary/Treasurer
Steelworkers Local 07-331-U
1906 Ridge Court
Washington, IN 47501

Case Number: [REDACTED]
LM Number: 010416

Dear Mr. Spivey:

This office has recently completed an audit of Steelworkers Local 07-331-U 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 30, 2010, the following problem was disclosed during the CAP. The matter below is not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Other Issue

Signing Blank Checks

During the audit, you advised that President Melanie Bernardi, Local Chairman Oscar Sanders, and yourself sign blank checks. Your union's bylaws require that all checks be signed by the president, financial secretary, and treasurer. The three signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. However, signing a blank check in advance does not attest to the authenticity of a completed check, and negates the purpose of the three signature requirement. OLMS recommends that Local 07-331-U review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to Steelworkers Local 07-331-U 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]
Investigator

cc: Melanie Bernardi, President