



December 12, 2013

Mr. William E. Nixon, President
Iron Workers Local 468
1564 East 23rd Street
Cleveland, OH 44114

Case Number: 350-3616407 ()
LM Number: 036662

Dear Mr. Nixon:

This office has recently completed an audit of Iron Workers Local 468 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 December 10, 2013, 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-2) filed by Local 468 for the fiscal year ended June 30, 2013 was deficient in that:

Loans Receivable

A loan receivable is reported in Schedule 2 in the amount of \$2,022.00 from the Local 468 Insurance Trust. The CAP and discussion with Local 468 officers revealed that no loan was made from Local 468 to the Local 468 Insurance Trust. Funds intended for the Local 468 Insurance Trust were inadvertently deposited to the Local 468 general checking account. This was corrected by a check drawn on the Local 468 general fund made payable to the Local 468 Insurance Trust. No actual loan was made.

I am not requiring that Local 468 file an amended LM report for 2013 to correct the deficient items, but Local 468 has agreed to properly report the deficient items on all future reports it files with OLMS.

Other Issue

One Signature Checking Account

The audit disclosed that President William Nixon is the sole signatory on the union checking account used for his expenses. A two signature requirement is an effective internal control of union funds. Its purpose is to attest to the authenticity of a completed document already signed. OLMS recommends that Local 468 review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to Iron Workers Local 468 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: Mr. Joel T. Puette, Financial Secretary