



August 4, 2016

Mr. Rodney Allison, Treasurer
Boilermakers Local Lodge 69
4515 West 61 St
Little Rock, AR 72209

Case Number: 420-6008446 [REDACTED]
LM Number: 067131

Dear Mr. Allison:

This office has recently completed an audit of Boilermakers Local Lodge 69 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 Brett Moltz on August 4, 2016, 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.

Other Violation

The audit disclosed the following other violation:

Inadequate Bonding

Local Lodge 69's officers and employees are currently bonded for \$55,000, but they must be bonded for at least \$57,000. Local Lodge 69 should obtain adequate bonding coverage for its officers and employees immediately. Please provide proof of bonding coverage to this office as soon as possible, but not later than August 9, 2016.

Other Issue

Use of Signature Stamp

During the audit, you advised that it is Local Lodge 69's practice for Mallory Christian to use your signature stamp on union checks. Article 7.2 of Local Lodge 69's bylaws requires that checks be signed by the president and treasurer. The 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. However, the use of a signature stamp for a signer does not attest to the authenticity of the completed check, and negates the purpose of the two signature requirement. OLMS recommends that Local Lodge 69 review these procedures to improve internal control of union funds.

I want to extend my personal appreciation to Boilermakers Local Lodge 69 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure

Mr. Rodney Allison

August 4, 2016

Page 2 of 2

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. Brett Moltz, President
Mr. Josh Carter, Vice President
Mr. David Maxwell, Recording Secretary
Mr. Frank Templeton, Inspector
Mr. Billy Pearson, Trustee
Mr. Josh Breedlove, Trustee
Mr. Jack Knight, Trustee